

Mediacom: Driving Broadband Network Investment and Deployment in Rural America

WC Docket Nos. 10-90, 05-337



Mediacom Communications

Mediacom Telephony

Mediacom Business

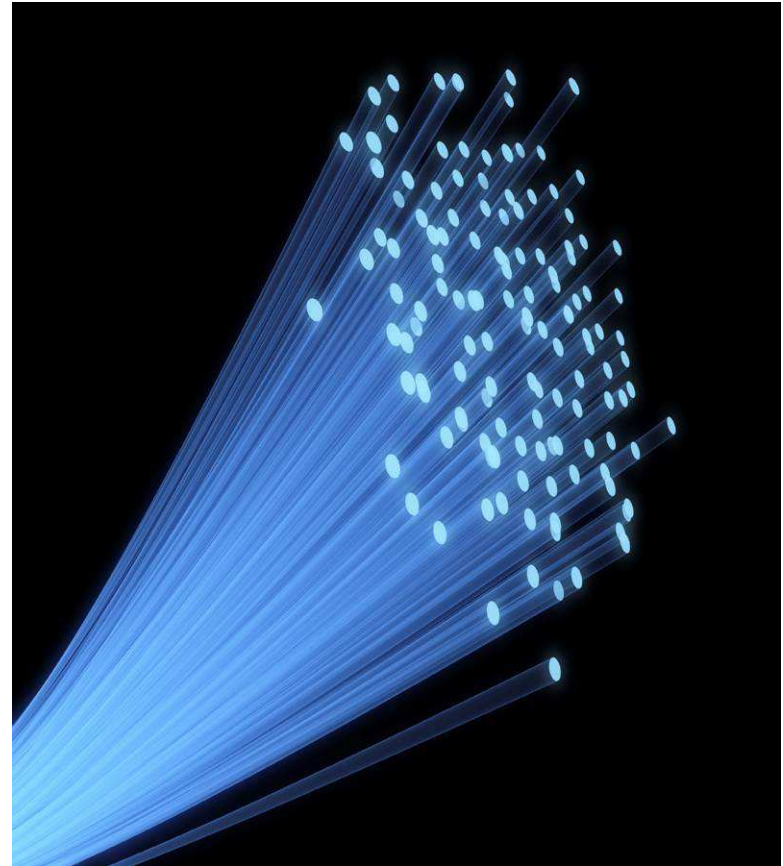
June 11-12, 2012

Mediacom: More Than Cable

- Mediacom is the nation's eighth largest cable company
 - Focuses on serving smaller cities, communities and rural areas in the United States
 - Significant customer base in the Midwest and Southeast
 - Provides service using technologically-advanced cable systems to over 1,000,000 subscribers
- Through its Mediacom Telephony subsidiary, Mediacom provides broadband and digital telephony services in 20 states
 - Provides high-speed Internet access to more than 850,000 subscribers
 - Provides digital telephone service to nearly 350,000 subscribers

Mediacom: More Than Cable

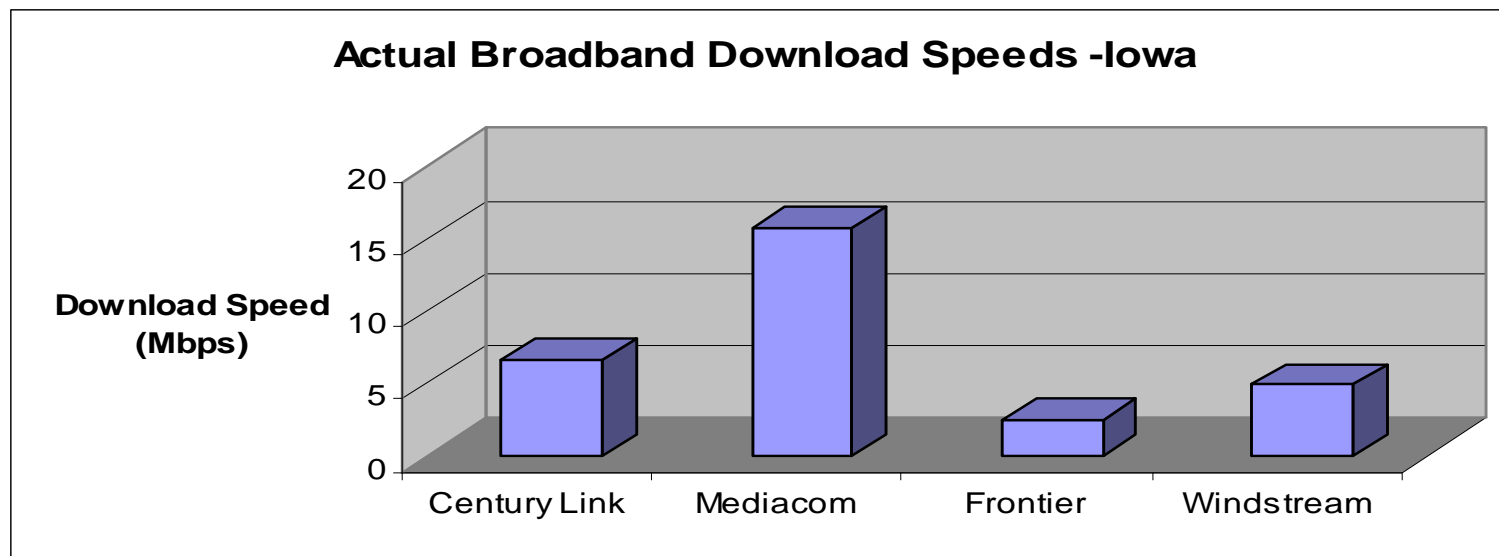
- Using the Mediacom Business brand, Mediacom provides digital voice, high-speed Internet access and other broadband services to businesses throughout its service territory
 - Serves small-to-medium sized businesses with broadband and advanced digital telephony voice service solutions
 - Provides fiber-based connectivity and network solutions to enterprise and carrier customers



Bringing Broadband to Rural America



- Mediacom offers broadband services throughout its footprint, including in small communities and rural areas
 - Mediacom's speeds range from 3Mbps to 105Mbps
 - Pricing typically is well-below competing ILEC offerings

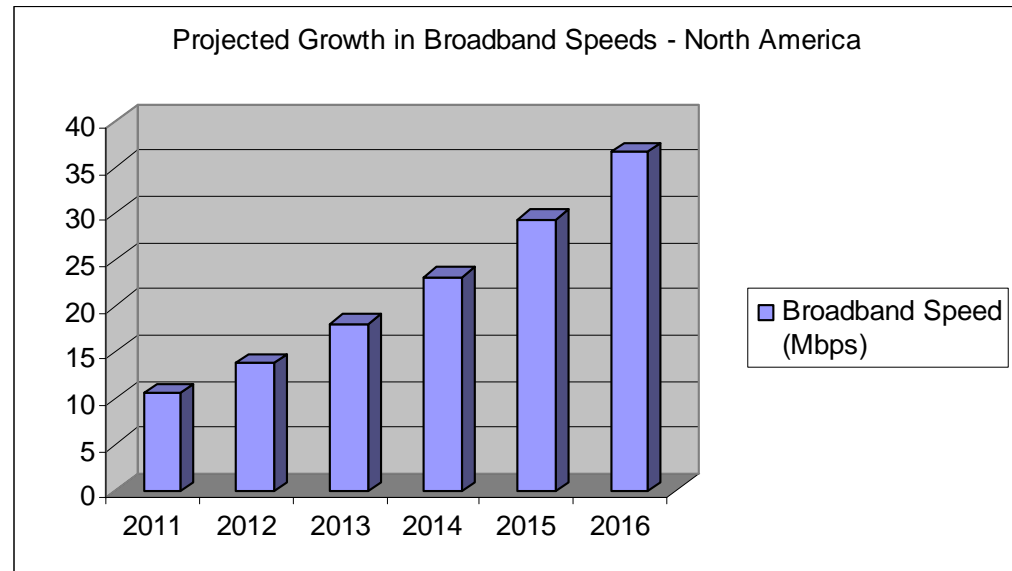


Source: NetIndex.com

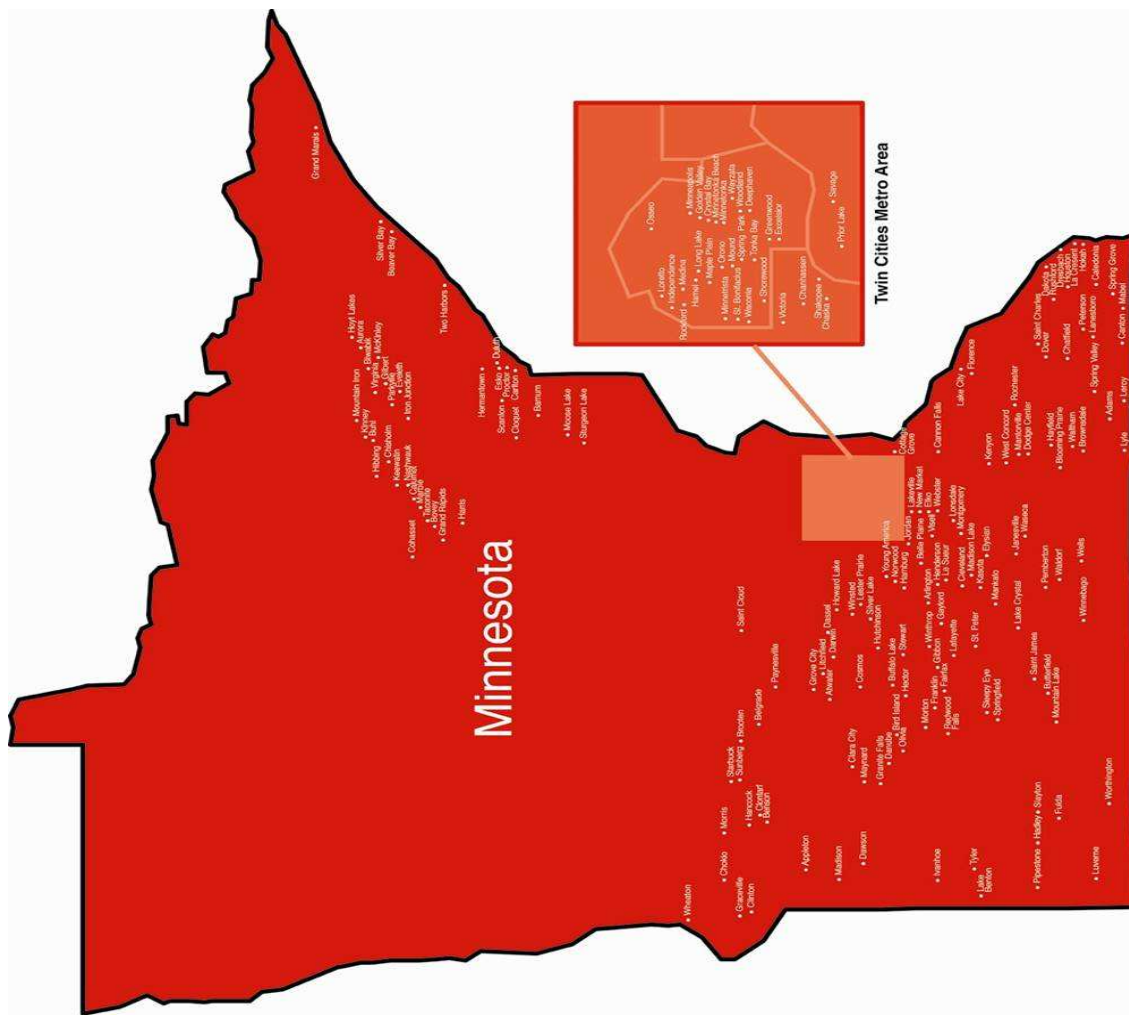
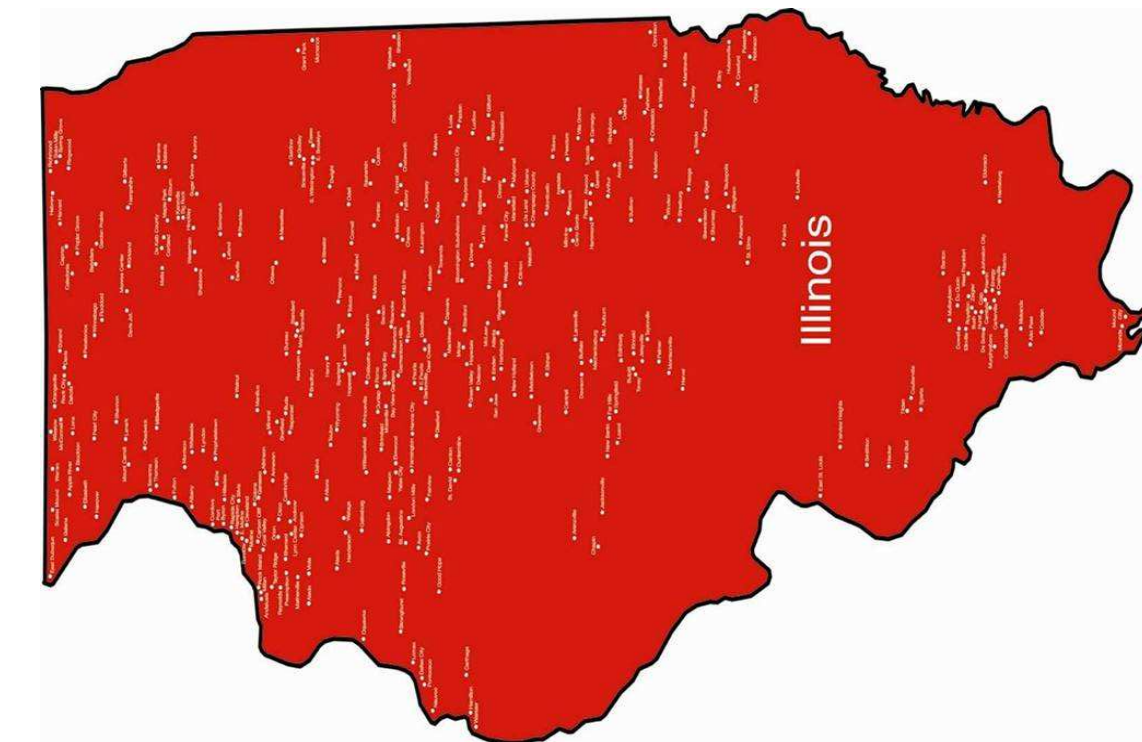
Bringing Broadband to Rural America

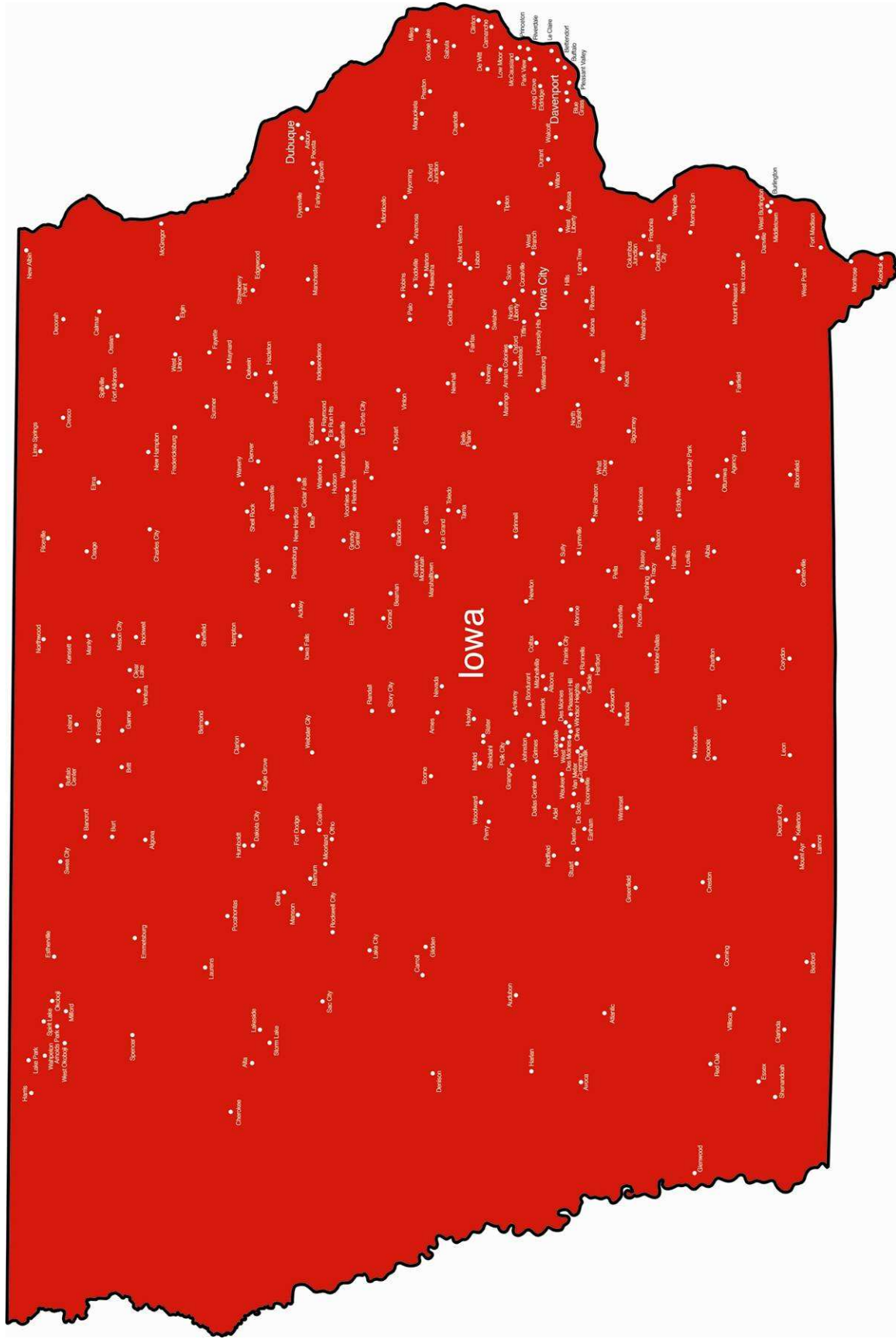


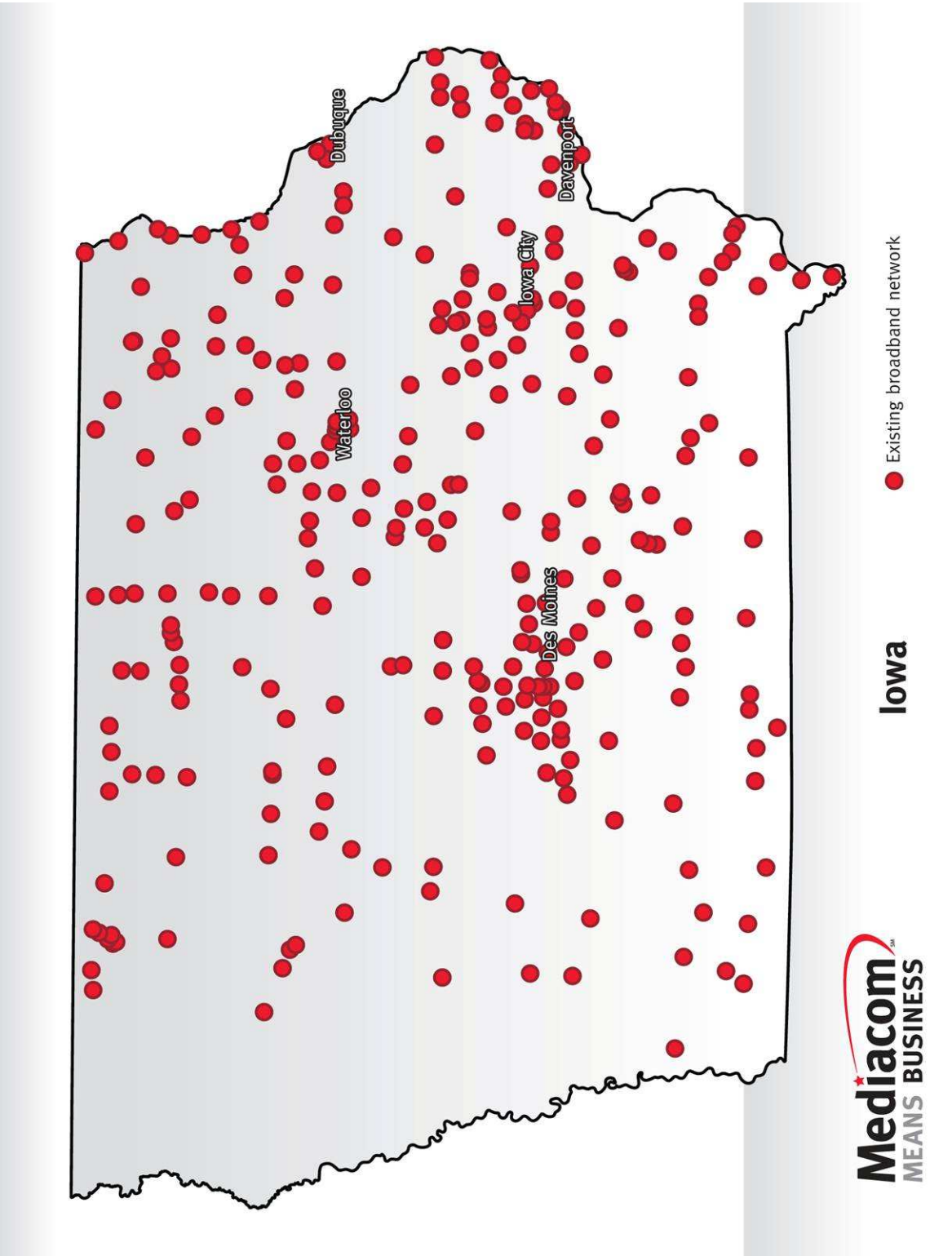
- Mediacom's customers have a growing need for speed
- Residential customers typically bypass Mediacom's entry-level offerings in favor of higher-speed offerings
 - Majority of customers select service speeds of 12-15Mbps
- SMB customers typically purchase bundled packages of multiline voice and higher-speed Internet access
- Mediacom projects residential and SMB customers will continue to demand and move to higher speed broadband offerings



Source: Cisco, White Paper, The Zettabyte Era (May 30, 2012)

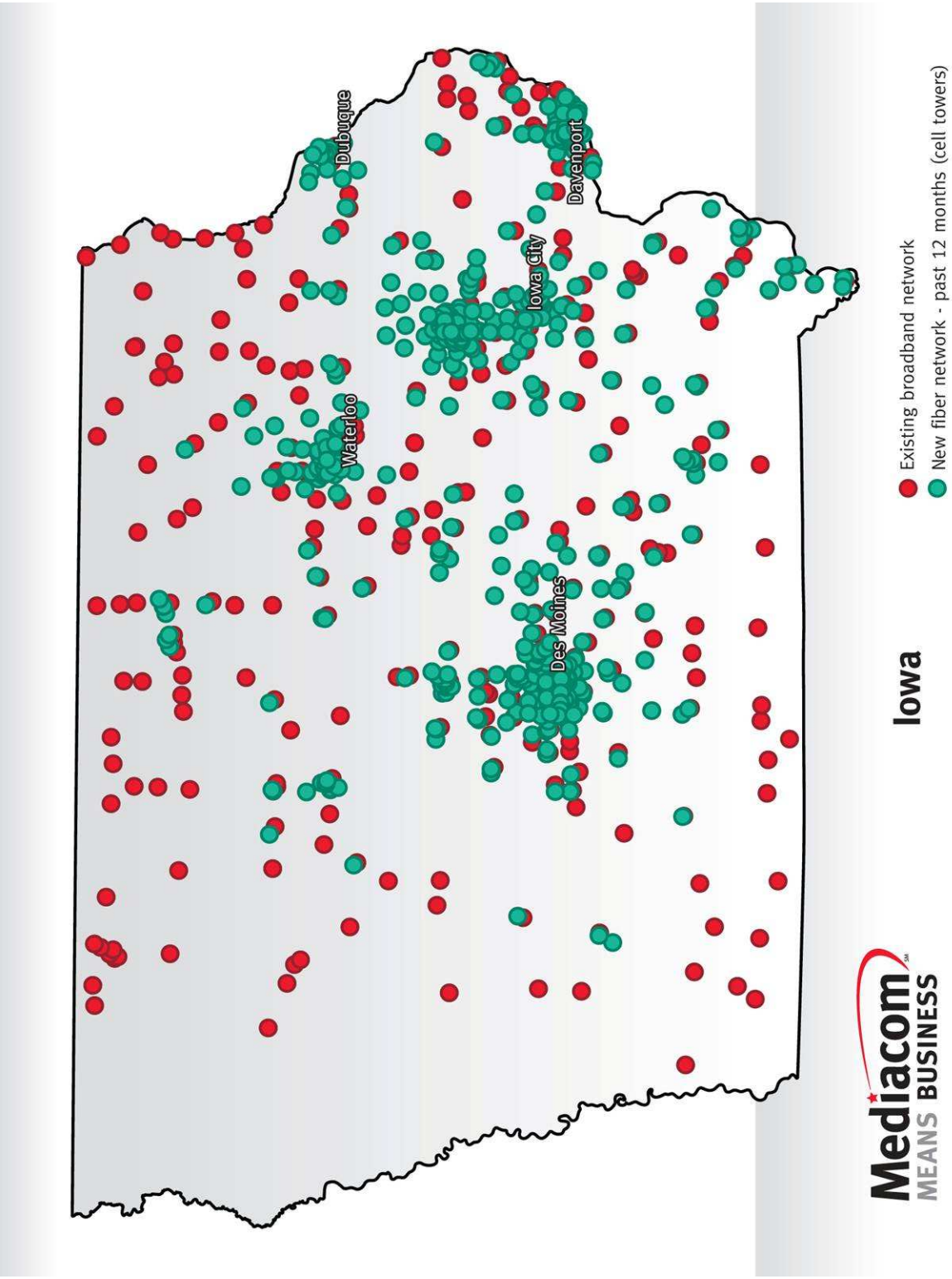






Mediacom
MEANS BUSINESS

Iowa



Storm Lake, Iowa



Bringing Broadband to Rural America

- Mediacom has spent over \$1B in network improvements and expansions over the last 10 years
 - Mediacom has built fiber connections to approximately 1000 cell towers
 - Within 12 months, Mediacom deployed over 500 route miles of fiber in Iowa, including many in rural areas



Bringing Broadband to Rural America



- Cell tower build out enables Mediacom to bring fiber-based services to less-densely populated communities and rural areas
- Mediacom is extending its fiber-based network inward from residential communities into city centers and “Main Street” America
- Mediacom brings broadband to community anchor institutions, including school districts, hospitals, fire departments, police departments and other public safety agencies
 - Education and healthcare are Mediacom’s largest verticals
 - Iowa Rural Healthcare Network
 - Illinois Rural Healthcare Network
 - Iowa State University
 - Community Colleges
 - Vocational Schools

Price Cap CAF Support Must Be Accurately Targeted



- The rule 54.313 reference to “Substantially Unserved” must be defined
 - Price cap CAF support must be targeted to support only areas not served by unsubsidized competitors
 - CAF support should not be provided where facilities-based, unsubsidized competitors offer broadband, at the required performance levels, to at least a majority of service locations in a census block
 - Industry must work to ensure that all providers are accurately reflected on the National Broadband Map

Cost Model Must Be Efficient

- An inefficient cost model can lead to over-subsidization
 - Price cap carriers' proposed cost model must be revised because it is not efficient
 - Cost components and calculations must be transparent and based on lowest-cost broadband build by any provider
 - Over-subsidization will disrupt private investment:
 - Devalues current facilities investments
 - Dissuades future facilities investments
 - Mediacom supports the American Cable Association's review of the price cap carriers' cost model

Competitive Bidding Process

- Competitive bidding process must be designed to provide incentives for companies to participate
 - Competitive bidding process must be tailored to ensure that support is provided to most efficient broadband provider
 - Bidding should be based on aggregated eligible census blocks at the census tract level
 - Service areas should be identified based on 4/1 standard but required performance standards should be higher
 - Support recipients should be required to serve 95% of locations in service area within two years
 - Support should be limited to five years; then the FCC should reevaluate need and method for further support
 - Mediacom anticipates participating in the competitive bidding process

ETC Designation Process and Compliance Requirements



- Onerous ETC designation and compliance requirements create a barrier to entry
 - The ETC designation process and compliance requirements must be simplified
 - FCC should create and administer a uniform, national ETC designation process for broadband services
 - Only carrier receiving CAF support should be required to apply for ETC status

Thank You

